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Market Brief - Product

Germany : Snapshot of the Walnut Market

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Hamburg [GM2], GM

Germany: Snapshot of the Walnut Market

Summary: Germany is a leading importer of walnuts. The majority of imported walnuts are in-shell for consumption during the year-end holiday season. There is a growing demand for shelled walnuts for snack and ingredient use. In 1997, Germany imported walnuts valued at about \$53 million, of which about one half was supplied by the United States.

Germans are major consumers of nuts.

Nuts are used for a number of purposes in Germany, mostly as ingredients in food products. Nuts are also popular as snacks, particularly during the year-end holiday season. To satisfy domestic demand, Germany imports significant quantities of many kinds of nuts, including almonds, walnuts, hazelnuts/filberts and pistachios.

Walnuts are very popular in Germany.

Walnuts are mostly consumed in-shell during the year-end holiday season; consumption of in-shell walnuts outside of the year-end holidays is relatively limited. Shelled walnuts are mostly used as ingredients in a variety of food products and, to a relatively limited extent, for snack use. Walnuts have garnered some popularity as an ingredient in chocolate confectionery, baked goods and ice cream.

During the year-end holidays, in-shell walnuts are available for sale in most major retail food outlets and outdoor sales stands. Shelled walnuts are usually for sale throughout the year at major retail food outlets. Much of the shelled product is sold in retail food outlets for home cooking and baking or is sold to the food processing industry for use as an ingredient. Shelled walnuts compete with a number of other nuts, particularly hazelnuts and almonds.

United States is leading in-shell walnut supplier.

As domestic production is very limited, Germany imports virtually all its domestic walnut requirements. In 1997, Germany's walnut imports totaled \$53 million, of which about two-thirds consisted of in-shell nuts and the remaining one-third was shelled product. The United States is the leading supplier of in-shell nuts, and France is the leader in the shelled segment. In 1997, German imports of in-shell walnuts from the United States fell as France offered more competitive prices. Germany represents the third-largest export market for U.S. walnuts after Japan and Spain.

How walnuts enter the market.

Most walnuts are imported in bulk (mostly during October through December) by German companies that focus on the importation of nuts and possibly a variety of similar products, e.g., dried fruit. These companies may repack the imported walnuts for resale or sell in bulk to retailers or German food processors. There are some U.S. companies with branded, consumer-packaged walnuts available in the German market.

Best market prospects.

Good prospects exist for U.S. walnut exports to Germany. The majority of Germany's imports of U.S. walnuts will continue to be used to supply in-shell nuts for the year-end holidays. There are also opportunities for increased sales of U.S. walnuts, particularly shelled nuts for snacks, as

ingredients for the food processing industry and for home baking use. However, competition from other nuts will remain keen.

Germany: Walnut Imports by Type and by Source, 1996-97

(volume in metric tons, value in million U.S. dollars)

Supplier	1996 Volume	1997 Volume	1996 Value	1997 Value
In-Shell	'000 MT	'000 MT	M US\$	M US \$
-- United States	13,021	9,616	\$31.7	\$21.2
-- France	1,497	2,858	\$4.4	\$6.9
-- Others	543	1,031	\$1.5	\$2.2
-- Total	15,061	13,505	\$37.6	\$30.3
Shelled				
-- United States	525	1,025	\$2.9	\$4.2
-- France	1,231	1,097	\$10.6	\$7.7
-- India	783	846	\$3.2	\$3.9
-- Others	1,229	1,653	\$5.2	\$6.5
-- Total	3,768	4,621	\$21.8	\$22.3

Source: Official German import statistics.

Import tariffs.

Effective July 1, 1998, EU/German import tariffs for in-shell and shelled walnuts imported from the United States are 5.3 percent for in-shell and 6.1 percent for shelled raw nuts (not prepared/preserved). Walnuts from France, the major competitor, enter duty free since it is an EU member state.

California Walnut Commission.

The California Walnut Commission operates a promotional program in Germany for California walnuts. (Virtually all U.S. walnuts exported to Germany are from California.) The Commission may be reached as follows: telephone, (916) 646-3807; fax, (916) 923-2548.

More Information.

If you should have questions about the German market for agricultural products or want to learn more about exporting U.S. agricultural products to Germany, contact any of the following Foreign Agricultural Service (FAS) offices:

U.S. Agricultural Trade Office , Hamburg, Germany for assistance on marketing U.S. agricultural products in Germany, e.g., contacts, trade shows and marketing reports	Tel: (49-40) 41 4607 - 0 Fax: (49-40) 41 4607 - 20 E-Mail: ATOHamburg@fas.usda.gov www.usembassy.de/atohamburg
Office of Agricultural Affairs , Bonn, Germany for assistance with tariffs and info on German food and beverage law	Tel: (49-228) 339-2133 Fax: (49-228) 334-697 E-Mail: AgBonn@fas.usda.gov
Ag Export Services Division , Washington, DC first-stop for basic export info and assistance on exporting U.S. agricultural products	Tel: (202) 690-1182 Fax: (202) 690-4374
Or, visit FAS "on line" at:	www.fas.usda.gov

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